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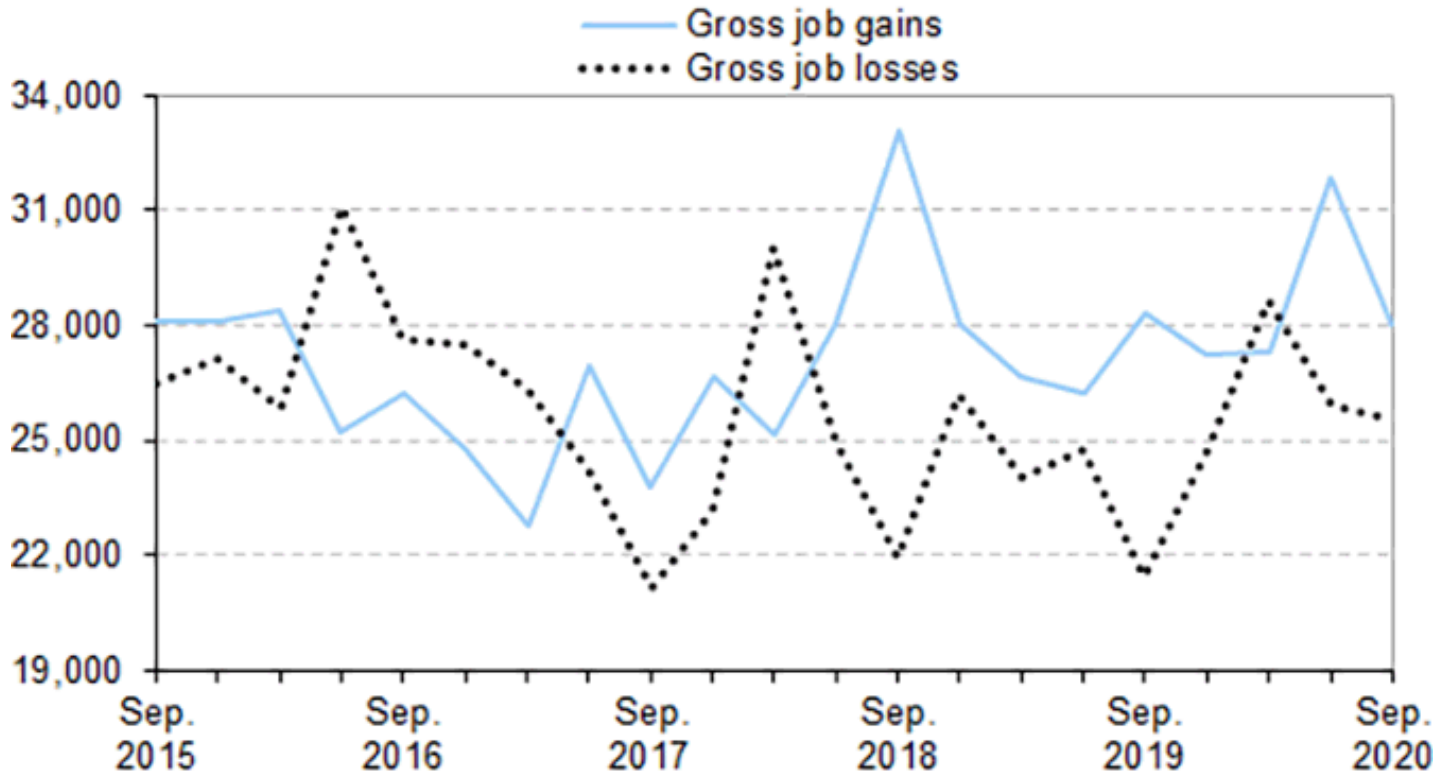
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Business Employment Dynamics in the District of Columbia — Third Quarter 2020

From June 2020 to September 2020, **gross job gains** from opening and expanding private-sector establishments in the District of Columbia were 38,358. The number of gross job gains in the District of Columbia were a series high since data first became available in the first quarter of 2000. **Gross job losses** from closing and contracting private-sector establishments were 26,824, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Alexandra Hall Bovee noted that the difference between the number of gross job gains and the number of gross job losses yielded a **net employment gain** of 11,534 jobs in the private sector during the third quarter of 2020. During the previous quarter, gross job losses exceeded gross job gains by 95,651. (See [chart 1](#).)

Chart 1. Private-sector gross job gains and losses in the District of Columbia, September 2015–September 2020, seasonally adjusted



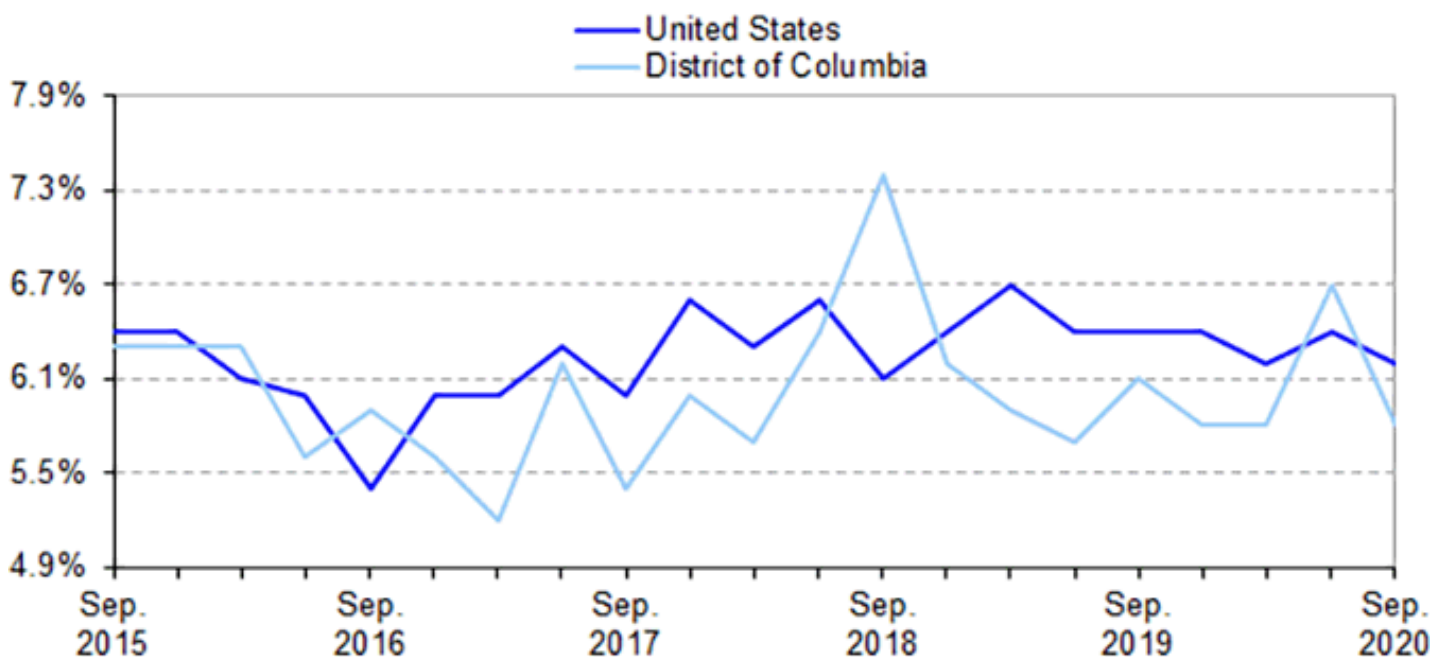
Source: U.S. Bureau of Labor Statistics.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all private businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private-sector establishments from the third month of one quarter to the third month of the next. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. (See [Technical Note](#).)

Gross job gains

In the third quarter of 2020, gross job gains represented 8.3 percent of private-sector employment in the District of Columbia; nationally, gross job gains accounted for 9.4 percent of private-sector employment. (See [chart 2](#).) Gross job gains are the sum of increases in employment due to expansions at existing establishments and the addition of new jobs at opening establishments. In the District of Columbia, gross job gains at **expanding** establishments totaled 29,683 in the third quarter of 2020, an increase of 17,738 jobs compared to the previous quarter. **Opening** establishments accounted for 8,675 jobs gained in the third quarter of 2020, an increase of 4,304 jobs from the previous quarter. (See [table 1](#).)

Chart 2. Private-sector gross job gains as a percent of employment, United States and the District of Columbia, September 2015–September 2020, seasonally adjusted

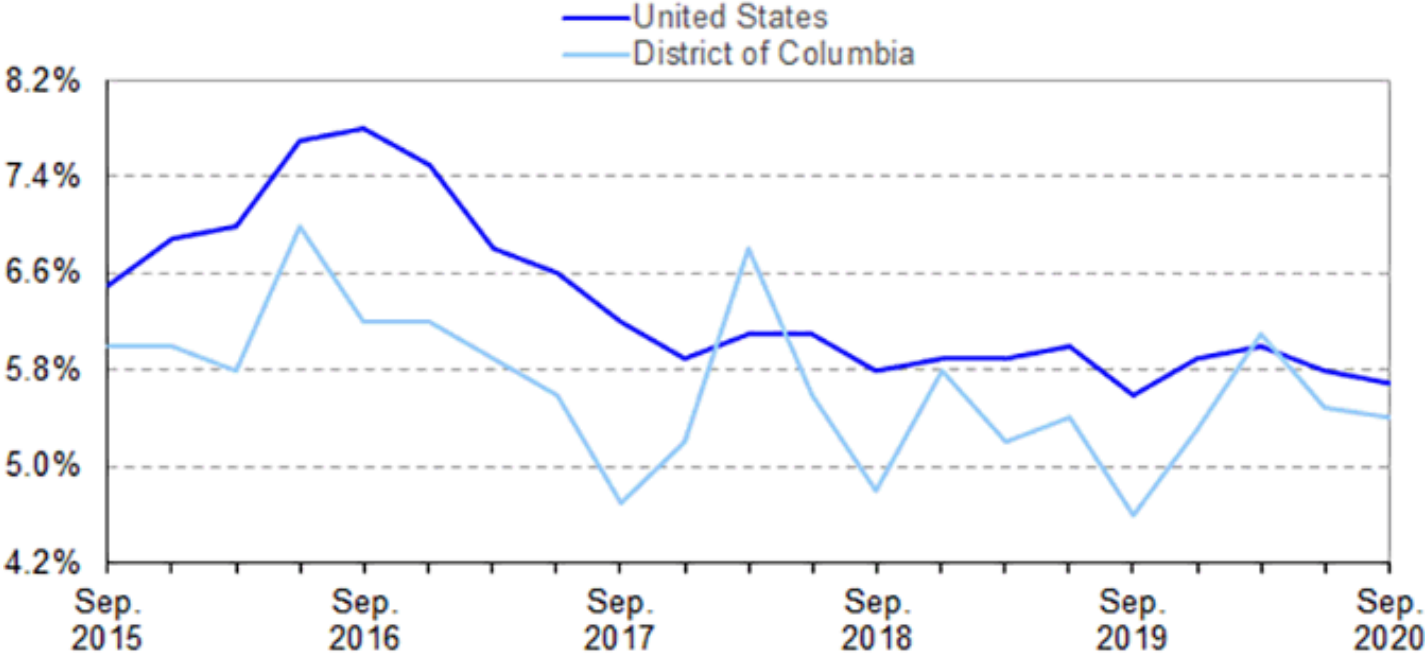


Source: U.S. Bureau of Labor Statistics.

Gross job losses

In the third quarter of 2020, gross job losses represented 5.8 percent of private-sector employment in the District of Columbia; nationally, gross job losses accounted for 6.0 percent of private-sector employment. (See [chart 3](#).) Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. In the District of Columbia, **contracting** establishments lost 21,469 jobs in the third quarter of 2020, a decrease of 73,127 jobs from the prior quarter. **Closing** establishments lost 5,355 jobs, a decrease of 12,016 jobs from the previous quarter.

Chart 3. Private-sector gross job losses as a percent of employment, United States and the District of Columbia, September 2015–September 2020, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Industries

Gross job gains exceeded gross job losses in 3 of the 5 industry sectors in the District of Columbia in the third quarter of 2020. Leisure and hospitality had the largest over-the-quarter net job increase, with a gain of 5,562 jobs. This was the result of 10,802 gross job gains and 5,240 gross job losses. The professional and business services industry had a net gain of 3,125 jobs. The District of Columbia’s education and health services sector had a net loss, of 834 jobs.

For more information

The BED data series include gross job gains and gross job losses by industry subsector, for the 50 states, the The District of Columbia, Puerto Rico, and the Virgin Islands, as well as gross job gains and gross job losses at the firm level by employer size class. BED data for the states have been included in [table 2](#) of this release. Additional information is available online at www.bls.gov/bdm/.

The Business Employment Dynamics for Fourth Quarter 2020 are scheduled to be released on Wednesday, July 28, 2021.

Coronavirus (COVID-19) Effect on Third Quarter 2020 Business Employment Dynamics

Data collection and processing methods have been impacted because of the COVID-19 pandemic. More detail can be found at www.bls.gov/covid19/effects-of-covid-19-pandemic-on-business-employment-dynamics.htm.

Technical Note

The Business Employment Dynamics (BED) data are a product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW). The BED data are compiled by the U.S. Bureau of Labor Statistics (BLS) from existing QCEW records. Most employers in the U.S. are required to file quarterly reports on the employment and wages of workers covered by unemployment insurance (UI) laws, and to pay quarterly UI taxes. The QCEW is based largely on quarterly UI reports which are sent by businesses to the State Workforce Agencies (SWAs). These UI reports are supplemented by two additional BLS data collections to render administrative data into economic statistics. Together these data comprise the QCEW and form the basis of the Bureau's establishment universe sampling frame.

In the BED program, the QCEW records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding units and jobs lost at closing and contracting units.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. BED statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment.

Gross job gains and gross job losses are expressed as rates by dividing their levels by the average of employment in the current and previous quarters. The rates are calculated for the components of gross job gains and gross job losses and then summed to form their respective totals. These rates can be added and subtracted just as their levels can. For instance, the difference between the gross job gains rate and the gross job losses rate is the net growth rate.

The formal definitions of employment changes are as follows:

Openings. These are either units with positive third month employment for the first time in the current quarter, with no links to the prior quarter, or with positive third month employment in the current quarter following zero employment in the previous quarter.

Expansions. These are units with positive employment in the third month in both the previous and current quarters, with a net increase in employment over this period.

Closings. These are either units with positive third month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

Contractions. These are units with positive employment in the third month in both the previous and current quarters, with a net decrease in employment over this period.

The full Technical Note for the Business Employment Dynamics program, which includes information on coverage, concepts, and methodology, can be found in the current quarterly news release online at www.bls.gov/news.release/cewbd.htm.

Information in this release will be made available to individuals with sensory impairments upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Private-sector gross job gains and losses by industry, District of Columbia, seasonally adjusted

Category	Gross job gains and job losses (3 months ended)					Gross job gains and job losses as a percent of employment (3 months ended)				
	Sept 2019	Dec. 2019	Mar. 2020	June 2020	Sept 2020	Sept 2019	Dec. 2019	Mar. 2020	June 2020	Sept 2020
Total private ⁽¹⁾										
Gross job gains	29,652	28,907	28,449	16,316	38,358	5.5	5.4	5.2	3.3	8.3
At expanding establishments	23,668	23,422	22,825	11,945	29,683	4.4	4.4	4.2	2.4	6.4
At opening establishments	5,984	5,485	5,624	4,371	8,675	1.1	1.0	1.0	0.9	1.9
Gross job losses	28,702	25,084	28,599	111,967	26,824	5.3	4.7	5.3	22.4	5.8
At contracting establishments	23,802	19,872	23,455	94,596	21,469	4.4	3.7	4.3	18.9	4.6
At closing establishments	4,900	5,212	5,144	17,371	5,355	0.9	1.0	1.0	3.5	1.2
Net employment change ⁽²⁾	950	3,823	-150	-95,651	11,534	0.2	0.7	-0.1	-19.1	2.5
Financial activities										
Gross job gains	1,124	1,140	1,126	745	976	4.1	4.1	4.1	2.7	3.6
At expanding establishments	763	870	907	524	761	2.8	3.1	3.3	1.9	2.8
At opening establishments	361	270	219	221	215	1.3	1.0	0.8	0.8	0.8
Gross job losses	1,222	1,108	1,155	1,639	996	4.5	4.1	4.2	6.0	3.7
At contracting establishments	1,040	899	803	1,476	813	3.8	3.3	2.9	5.4	3.0
At closing establishments	182	209	352	163	183	0.7	0.8	1.3	0.6	0.7
Net employment change ⁽²⁾	-98	32	-29	-894	-20	-0.4	0.0	-0.1	-3.3	-0.1
Professional and business services										
Gross job gains	11,025	10,391	10,516	6,997	11,599	6.4	6.0	6.0	4.2	7.1
At expanding establishments	8,761	8,257	8,381	5,206	9,357	5.1	4.8	4.8	3.1	5.7
At opening establishments	2,264	2,134	2,135	1,791	2,242	1.3	1.2	1.2	1.1	1.4
Gross job losses	8,681	8,610	9,218	22,029	8,474	5.0	5.0	5.3	13.0	5.2
At contracting establishments	6,889	6,787	7,557	19,096	6,740	4.0	3.9	4.3	11.3	4.1
At closing establishments	1,792	1,823	1,661	2,933	1,734	1.0	1.1	1.0	1.7	1.1
Net employment change ⁽²⁾	2,344	1,781	1,298	-15,032	3,125	1.4	1.0	0.7	-8.8	1.9
Education and health services										
Gross job gains	4,137	5,130	4,425	2,548	4,482	3.6	4.5	3.8	2.2	4.1
At expanding establishments	3,218	4,353	3,753	1,807	3,732	2.8	3.8	3.2	1.6	3.4
At opening establishments	919	777	672	741	750	0.8	0.7	0.6	0.6	0.7
Gross job losses	5,872	3,042	3,067	10,202	5,316	5.1	2.6	2.6	9.0	4.9
At contracting establishments	5,066	2,469	2,540	9,227	4,565	4.4	2.1	2.2	8.1	4.2
At closing establishments	806	573	527	975	751	0.7	0.5	0.4	0.9	0.7
Net employment change ⁽²⁾	-1,735	2,088	1,358	-7,654	-834	-1.5	1.9	1.2	-6.8	-0.8
Leisure and hospitality										
Gross job gains	5,973	5,079	4,469	1,387	10,802	7.3	6.2	5.6	2.5	29.3
At expanding establishments	4,922	4,135	3,310	764	7,902	6.0	5.0	4.1	1.4	21.4
At opening establishments	1,051	944	1,159	623	2,900	1.3	1.2	1.5	1.1	7.9
Gross job losses	5,366	5,469	8,581	56,119	5,240	6.6	6.7	10.7	99.4	14.3
At contracting establishments	4,476	4,501	7,267	46,689	3,894	5.5	5.5	9.1	82.7	10.6
At closing establishments	890	968	1,314	9,430	1,346	1.1	1.2	1.6	16.7	3.7
Net employment change ⁽²⁾	607	-390	-4,112	-54,732	5,562	0.7	-0.5	-5.1	-96.9	15.0
Other services ⁽³⁾										
Gross job gains	2,572	2,636	2,578	1,596	3,731	3.7	3.8	3.7	2.4	5.9
At expanding establishments	2,159	2,264	2,178	1,282	2,656	3.1	3.3	3.1	1.9	4.2
At opening establishments	413	372	400	314	1,075	0.6	0.5	0.6	0.5	1.7
Gross job losses	2,678	2,419	2,448	9,148	2,767	3.9	3.5	3.5	13.7	4.4
At contracting establishments	2,227	1,652	2,050	7,543	2,088	3.2	2.4	2.9	11.3	3.3
At closing establishments	451	767	398	1,605	679	0.7	1.1	0.6	2.4	1.1
Net employment change ⁽²⁾	-106	217	130	-7,552	964	-0.2	0.3	0.2	-11.3	1.5

Footnotes:

(1) Includes unclassified sector not shown separately.

(2) The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.

(3) Except public administration.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted

Category	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	Sept. 2019	Dec. 2019	Mar. 2020	June 2020	Sept. 2020	Sept. 2019	Dec. 2019	Mar. 2020	June 2020	Sept. 2020
United States ⁽¹⁾	5.9	6.2	5.5	4.8	9.4	5.8	5.5	6.1	17.0	6.0
Alabama	5.8	6.2	5.5	4.8	7.8	5.9	5.5	5.9	12.6	5.9
Alaska	9.6	10.3	9.2	6.9	12.2	10.1	10.2	9.5	24.5	9.9
Arizona	6.3	6.4	5.6	5.7	7.9	4.9	5.2	5.9	11.7	6.2
Arkansas	5.6	6.5	5.1	4.8	7.5	5.8	4.9	5.5	12.0	5.6
California	6.3	6.8	6.1	5.2	8.7	6.0	6.0	6.7	18.6	7.3
Colorado	6.6	6.7	6.3	5.8	10.0	6.4	6.2	7.0	14.9	6.3
Connecticut	5.5	5.5	5.2	4.3	11.2	5.8	5.6	5.9	19.7	5.1
Delaware	6.2	6.7	6.2	4.9	10.3	6.3	6.2	6.6	17.7	6.3
District of Columbia	5.5	5.4	5.2	3.3	8.3	5.3	4.7	5.3	22.4	5.8
Florida	6.6	6.6	5.4	6.1	9.5	5.8	5.9	6.2	13.9	6.8
Georgia	6.2	6.5	5.6	5.4	9.2	6.0	5.5	5.9	15.0	6.4
Hawaii	5.6	5.7	5.2	3.6	7.4	5.2	5.2	5.8	29.8	12.7
Idaho	7.0	7.7	7.6	6.4	8.4	6.8	6.3	6.1	11.2	6.5
Illinois	5.0	5.6	5.0	4.6	9.7	5.6	5.2	6.0	18.4	5.6
Indiana	5.4	6.0	4.9	4.7	8.3	5.6	5.1	6.0	13.7	5.4
Iowa	5.3	5.8	5.2	4.4	7.4	5.7	5.5	5.9	13.0	5.6
Kansas	5.6	6.3	5.4	5.0	7.9	5.7	5.7	6.0	13.3	6.0
Kentucky	5.9	6.2	5.3	4.6	8.8	5.7	5.6	6.1	15.3	5.0
Louisiana	5.9	5.9	5.3	4.5	8.8	6.1	5.7	6.3	16.9	7.2
Maine	6.5	7.3	6.4	5.4	12.0	7.3	6.9	7.0	21.7	6.0
Maryland	6.2	6.4	5.7	4.7	11.0	6.3	5.9	6.7	21.9	5.9
Massachusetts	5.3	5.8	5.2	3.7	12.5	5.9	5.6	6.0	24.2	5.6
Michigan	5.1	5.8	5.0	4.0	10.9	5.9	5.3	5.7	20.7	4.8
Minnesota	5.4	5.8	5.0	4.3	9.0	5.8	5.6	5.6	17.6	5.4
Mississippi	5.7	6.2	5.6	5.1	8.7	5.7	5.6	6.2	12.9	5.5
Missouri	5.8	6.2	5.2	4.7	8.5	5.8	5.3	5.7	14.3	5.7
Montana	7.4	8.6	7.7	6.8	9.9	7.7	7.2	7.7	13.8	7.2
Nebraska	5.7	6.2	5.8	4.9	8.1	5.5	5.8	6.1	12.1	5.9
Nevada	6.1	6.8	5.4	5.3	12.8	5.5	5.0	6.3	29.2	6.4
New Hampshire	5.8	6.6	6.0	4.5	11.9	6.6	6.0	6.4	18.8	5.1
New Jersey	6.0	6.5	5.7	4.6	15.7	6.2	5.8	6.3	28.1	5.8
New Mexico	6.8	7.0	6.1	4.5	8.3	6.1	6.3	6.5	17.6	6.0
New York	5.8	6.0	5.5	3.9	13.3	5.9	5.7	6.4	26.9	5.9
North Carolina	5.8	6.3	5.8	4.8	8.5	6.0	5.4	5.7	14.5	5.6
North Dakota	6.5	6.7	6.8	5.2	8.8	7.1	6.6	7.0	17.2	6.9
Ohio	5.3	5.7	5.1	4.5	7.7	5.9	5.3	5.6	14.4	5.3
Oklahoma	6.4	6.5	5.4	5.6	6.8	6.2	6.2	6.7	12.3	6.4
Oregon	6.2	6.7	6.2	5.0	9.0	6.2	5.8	6.5	18.4	6.2
Pennsylvania	5.2	5.4	4.9	3.6	10.3	5.1	4.9	5.6	18.2	5.0
Rhode Island	6.0	6.5	6.1	4.5	12.9	6.2	5.9	6.5	25.2	5.3
South Carolina	6.0	6.5	5.5	5.1	8.8	5.9	5.9	6.6	14.9	6.1
South Dakota	5.9	6.4	6.0	5.1	8.6	6.0	5.8	6.6	11.6	5.5
Tennessee	5.5	5.7	4.9	4.4	8.1	5.1	5.0	5.3	13.7	5.4
Texas	5.9	6.0	5.0	4.7	7.2	5.3	5.1	5.5	13.6	6.0
Utah	6.8	6.8	6.6	6.5	9.1	6.3	6.3	6.4	10.9	6.2
Vermont	6.3	6.9	5.8	4.6	12.3	7.6	6.4	7.6	18.5	5.7
Virginia	5.5	6.5	5.6	4.7	10.2	6.3	5.5	6.1	18.2	5.3
Washington	6.1	6.6	7.4	4.9	8.9	6.1	5.8	7.4	16.9	6.2
West Virginia	5.9	6.2	6.0	5.1	8.8	6.7	7.1	6.8	13.8	7.0
Wisconsin	4.8	5.4	5.0	4.4	7.6	5.9	5.0	5.3	14.4	5.2
Wyoming	8.6	9.4	8.6	6.4	10.7	8.9	8.7	9.3	18.1	7.7
Puerto Rico	5.9	5.4	5.0	4.0	11.0	5.5	4.9	5.2	16.9	5.1
Virgin Islands	12.0	10.3	7.2	5.3	8.4	6.4	7.3	8.3	19.8	12.3

Note: See footnotes at end of table.

Footnotes

(1) Totals for the United States do not include data for Puerto Rico or the Virgin Islands.